Approved For Release 2005/12/14 15/8-RDP91-00901R000600190018-6

CIA DEPUTY DIRECTOR DENIES RESIGNING OVER OPPOSITION TO REAGAN JOAN MOWER WASHINGTON

John N. McMahon, the CIA's deputy director, said Friday he was "dismayed and angered" by reports that his resignation stemmed from discontent with President Reagan's policies.

In an unusual statement released by the CIA, McMahon said he generally believed intelligence officials should respond to "inaccuracies through the oversight process and not by making personal public statements."

But, he added, "I must draw the line when these uninformed and erroneous reports provide fodder _as they indeed already have _ for propagandists in the Sandinista press in Nicaragua and others abroad who seek to denigrate this administration and its policies."

The White House announced last Tuesday that McMahon, 56, a 34-year CIA veteran had resigned for personal reasons, effective March 29. Two acquaintances said they thought personal economic factors played a role in the decision.

The resignation was applauded by Free the Eagle, and the Federation for American-Afghan Action, two conservative lobbying groups which claimed that McMahon had not been a strong enough supporter of covert action, particularly in Afghanistan.

The Washington Post, quoting unnamed sources, said McMahon had also opposed the administration's wish to expand U.S.-backed paramilitary operations against the leftist Sandinista government in Nicaragua.

"I have been dismayed and angered by the reaction of those in the press and special interest groups who have sought to interpret my retirement from CIA as an expression of discontent with the president's policies," McMahon said. "Nothing could be further from the truth."

McMahon said, "I support the president's policies in Afghanistan, Nicaragua and the Third World at large and execute his directives to the fullest extent."

McMahon noted that on Feb. 27 he testified before the House Permanent Select Committee on Intelligence and the House Armed Services Committee on behalf of the president's proposals on Nicaragua.

The administration is asking Congress to approve \$100 million in military and "humanitarian" aid for the anti-Sandinista rebels.

The White House named Robert Gates, 42, to succeed McMahon. No Senate confirmation date has been set for Gates, who is the CIA's deputy director for intelligence.